

Message Text

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PAGE 01 CANBER 07439 131111Z

17

ACTION EB-06

INFO OCT-01 ARA-06 EA-06 IO-10 ISO-00 AEC-05 AID-05 CEA-01

CIAE-00 CIEP-01 COME-00 DODE-00 FPC-01 H-01 INR-05

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 RSC-01 SAM-01

OES-02 SP-02 SS-15 STR-01 TRSE-00 FRB-01 FEA-01 PA-01

PRS-01 USIA-06 /096 W

----- 089462

R 130407Z NOV 74

FM AMEMBASSY CANBERRA

TO SECSTATE WASHDC 4483

INFO AMCONSUL BRISBANE

USMISSION GENEVA

AMEMBASSY GEORGETOWN

AMEMBASSY KINGSTON

AMCONSUL MELBOURNE

AMCONSUL PERTH

AMCONSUL PORT MORESBY

AMNENSUL SYDNEY 2697

AMEMBASSY TOKYO

C O N F I D E N T I A L CANBERRA 7439

E.O. 11652: GDS

TAGS: EMIN, ETRD, AS

SUBJ: AUSTRALIAN PARTICIPATION IN BAUXITE AND IRON ORE MEETINGS

REF: (A) GENEVA 6778 (NOTAL)

(B) GENEVA 6764 (NOTAL)

(C) GEORGETOWN 2008 (NOTAL)

(D) GEORGETOWN 2003 (NOTAL)

(E) GEORGETOWN 2002 (NOTAL)

1. SUMMARY: RECENT PARTICIPATION OF SENIOR GOA

MINISTERS AT MULTILATERAL IRON ORE AND BAUXITE MEETINGS

INDICATES MORE RESPONSIBLE AND POSITIVE AUSTRALIAN

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CANBER 07439 131111Z

POLICY ON WORLD RESOURCES TRADE HAS EMERGED. THIS

REPRESENTS VICTORY FOR INTERNATIONALIST WHITLAM.
END SUMMARY.

2. EMBASSY HAS FOLLOWED WITH KEEN INTEREST REPORTS ON GOA PARTICIPATION IN RECENT MEETINGS OF IRON ORE EXPORTING NATIONS IN GENEVA AND OF INTERNATIONAL BAUXITE ASSOCIATION (IBA) IN GUYANA. FROM STATEMENTS OF FOREIGN MINISTER WILLESEE AT FORMER (REFS A AND B) AND DEPUTY PRIME MINISTER AND OVERSEAS TRADE MINISTER CAIRNS AT LATTER (REFS C , D AND E), WE DETECT WELCOME REASSURANCE THAT GOA SEEKS TO BALANCE NEEDS OF MINERAL

IMPORTING COUNTRIES FOR SECURE SUPPLIES AND FAIR PRICES WITH DEMANDS OF LDC EXPORTERS FOR IMPROVED TERMS OF TRADE.

3. LENGTHY NOVEMBER 5 STATEMENT BY WILLESEE IN GENEVA, WHICH DEPARTMENT OF FOREIGN AFFAIRS (DFA) TOOK PAINS TO DRAW TO EMBASSY'S ATTENTION HERE, IS PARTICULARLY SIGNIFICANT. WILLESEE STRESSED NEED FOR IRON ORE EXPORTERS TO COOPERATE WITH IMPORTING COUNTRIES. HE ALSO CALLED FOR STARTING WITH "CLEAN PIECE OF PAPER" IN EFFORTS TO ACHIEVE CHARTER FOR PROPOSED IRON ORE GROUP RATHER THAN TAKING UP POINT BY POINT THE DRAFT CHARTER EVIDENTLY AUTHORED BY MORE RADICAL EXPORTERS. WILLESEE'S STAND SEEMS TO HAVE HAD IMPORTANT EFFECT IN STRENGTHENING OPPOSITION OF BRAZIL AND PERHAPS OTHERS TO CREATING OPEC-LIKE ORGANIZATION FOR IRON ORE.

4. CAIRNS, LONG A VOCAL ADVOCATE OF LDC CAUSES, APPEARS TO HAVE BEEN LESS OUTSPOKEN THAN WILLESEE BUT STILL EVIDENTLY TOOK FAIRLY MODERATE LINE. HIS NOV 7 STATEMENT UPON DEPARTURE FROM GEORGETOWN (REF E) NOT AVAILABLE IN CANBERRA BUT SEEMS TO HAVE AVOIDED EXCESSES. IN EARLIER PARLIAMTNTARY STATEMENT ON IBA, CAIRNS REITERATED GOA VIEW THAT INTERESTS OF BAUXITE CONSUMERS SHOULD BE TAKEN INTO ACCOUNT AND THAT AUSTRALIA WILL NOT EXPLOIT OTHER COUNTRIES' DEPENDENCE ON IMPORTED RAW MATERIALS. CAIRNS' GEORGETOWN PERFORMANCE SEEMS NOT TO HAVE UNDERCUT
CONFIDENTIAL

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PAGE 03 CANBER 07439 131111Z

THAT POSITION DESPITE ORATORICAL FLOURISHES FOR LDC CONSUMPTION.

5. EMBASSY COMMENTS: GENEVA AND GEORGETOWN DEVELOPMENTS, ABOUT WHICH WE UNDERSTANDABLY HAVE ONLY SUMMARY INFORMATION, INDICATE THAT GOA CONTINUES TO SEEK TO BRIDGE THE GAP BETWEEN LDC RESOURCE EXPORTERS WND DC IMPORTERS. STATEMENT BY WILLESEE, WHO IS COSE POLITICAL ALLY OF

PRIME MINISTER WHITLAM, PARTICULARLY ENCOURAGING. SINCE HE IS CURRENT CANDIDATE FOR UNGA PRESIDENCY, IT IS HEARTENING THAT WILLESEE WAS WILLING TO RISK WRATH OF SOME LDC'S BY FORTHRIGHTLY RESISTING EFFORTS TO SPAWN A NEW OPEC FOR IRON ORE. CERTAINLY DFA WANTS US TO MAKE SUCH AN INTERPRETATION. THESE AND OTHER RECENT DEVELOPMENTS (E.G. GOA STATEMENTS DURING TANAKA VISIT) INDICATE WHITLAM HAS BEEN ENCOURAGINGLY SUCCESSFUL IN REDIRECTING AUSTRALIA'S MINERALS POLICY ALONG A MORE RESPONSIBLE, POSITIVE PATH. NOTEWORTHY SILENCE OF

MINERALS AND ENERGY MINISTER CONNOR, AN AUSTRALIA-FIRSTER WITH SOME SUSPICION OF MULTILATERAL ENDEAVORS, ALSO SUPPORTS THIS CONCLUSION.

6. BUT IT IS ALSO PRUDENT TO NOTE THAT THIS GRATIFYING

TRACK RECORD IS RELATIVELY SHORT AND NOT NECESSARILY IRREVERSIBLE. WILLESEE'S POSITION, WHICH REFLECTS WHITLAM'S, IS MORE FORTHRIGHT THAN CAIRNS'. MOREOVER,

CAIRNS HAS SPECIAL INTEREST IN RELATIONS WITH LDC'S AS WELL AS DISTRUST OF MARKET FORCES AND TENDENCY TO FAVOR GOVERNMENTAL INTERVENTION IN TRADE AND INVESTMENT MATTERS. GIVEN CAIRN'S POSITION AND CONNOR'S DOMINANT INTEREST IN MAXIMIZING RETURNS FOR PRODUCER COUNTRIES,

THE GOA TENDENCY TOWARD A CONSTRUCTIVE POSITION IN INTERNATIONAL COMMODITY ISSUES SHOULD BE STRONGLY ENCOURAGED, BUT NOT TOTALLY RELIED UPON FOR THE LONGER FUTURE.

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PAGE 04 CANBER 07439 131111Z

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: IRON, BAUXITE, NATURAL RESOURCES, MEETINGS, MEETING DELEGATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 13 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: cunninfx
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974CANBER07439
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740326-1080
From: CANBERRA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741148/aaaabopz.tel
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Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Classification: CONFIDENTIAL
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Review Authority: cunninfx
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Review Exemptions: n/a
Review History: RELEASED <18 JUN 2002 by rowelle0>; APPROVED <17 MAR 2003 by cunninfx>
Review Markings:

Declassified/Released
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30 JUN 2005

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Review Withdrawn Fields: n/a
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To: STATE
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